



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

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**Statement of United States Attorney Johnny Sutton
Regarding the Indictment of Dan Morales and Marc Murr**

Today, a federal grand jury in Austin indicted former Texas Attorney General Dan Morales and Houston area Attorney Marc Murr.

The indictment alleges that Dan Morales perpetrated two schemes to defraud the State of Texas. One scheme was carried out by Dan Morales and Marc Murr together. It involved attempts by Mr. Morales to fraudulently secure hundreds of millions of dollars for Mr. Murr in Attorney's fees that he did not earn. These fees related to the litigation between the State of Texas and the tobacco companies.

This is a case of an elected official charged with abusing the public trust. As Texas Attorney General, Dan Morales had an obligation to the people of this state to be honest, loyal and fair. He violated that trust by back dating contracts, forging government records and converting campaign contributions to personal use.

We have contacted the attorneys for the defendants regarding today's indictments. Mr. Morales and Mr. Murr are expected to turn themselves in to the F.B.I. tomorrow.

As you know, an indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless and until he is convicted. Because the defendants in this case, as in all criminal cases, have the right to have the charges heard in court by a jury, I will refrain at this time from making further public comment about this case. Thank you for coming.